



Social Security Act 1973

1973 CHAPTER 38

PART II

OCCUPATIONAL PENSION SCHEMES

Recognition

53 Minimum personal pension (entitlement).

- (1) For an occupational pension scheme to be recognised in relation to an earner's employment it must, in accordance with this section, provide him with minimum personal pension on termination of recognised pensionable employment otherwise than by his death.
- (2) Subject to the provisions of this Part of this Act, minimum personal pension must be provided for an earner in any case in which, on termination of a period of service in recognised pensionable employment—
 - (a) he qualifies for a pension immediately payable under the scheme; or
 - (b) he is then no longer of requisite age for the purposes of section 51 of this Act; or
 - (c) he has attained the age of 26 and has at least 5 years' qualifying service accrued since the appointed day; or
 - (d) the period of service terminated is one in respect of which the scheme either—
 - (i) conforms with the preservation requirements (section 63 of this Act and Schedule 16), so as to entitle the earner to short service benefit within the meaning of those requirements ; or
 - (ii) makes any provision which under those requirements is permitted as an alternative to short service benefit (other than, in such cases as may be prescribed, provision for return of contributions or benefit in the form of a lump sum).

Status: This is the original version (as it was originally enacted).

- (3) In subsection (2)(c) above, " 5 years' qualifying service " means 5 years (whether a single period of that duration or two or more periods, continuous or discontinuous, totalling 5 years) in which the earner was at all times employed either—
- (a) in pensionable service under the scheme within the meaning of the preservation requirements ; or
 - (b) in service in recognised pensionable employment, by reference to the scheme ; or
 - (c) in service under another scheme, being linked qualifying service within the meaning of section 58 of this Act,
- no regard being had to whether or not it was the same description of service in the whole of the 5 years, but excluding, in the case of service specified in paragraph (a) or (b), any period of service in the same employment which has been previously terminated.
- (4) Minimum personal pension must be in the form either—
- (a) of a pension payable as from termination of the relevant employment or from when the earner attains pensionable age, whichever is the later; or
 - (b) of a deferred pension, coming into payment when he attains that age or (with his consent in writing) at some later time.
- (5) The pension must, in either of the cases referred to in subsection (4) above, be a pension payable out of the resources of the scheme or secured by such means as may be prescribed (whether policy of insurance, annuity contract or other means), the security satisfying such conditions as may be prescribed in relation to the means adopted.
- (6) The scheme must conform with any regulations prescribing the time from which minimum personal pension (immediate or deferred) is to become payable.
- (7) Any provision which has for its effect that qualification for minimum personal pension is conditional upon retirement being postponed beyond a certain time shall be inadmissible in relation to the minimum benefits of a recognised scheme, if that time is more than 6 months after pensionable age.
- (8) The scheme must so provide that minimum personal pension, as and from the time when it comes into payment, is payable for life, subject only to such provision (if any) as may be made by the scheme for the pension to be terminated or suspended in such circumstances as may be prescribed.
- (9) Subject to the approval of the Occupational Pensions Board, the scheme may provide, in the case of an earner who is a woman, for minimum personal pension to be at a lower rate where provision is made for the payment of benefit to dependants on her death.